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## Alaska Telecom Association

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Christine O'Connor  
Executive Director

October 8, 2018

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Room TW-A325  
Washington, DC 20554

RE: Ex parte filing in WC Docket No. 16-271

Dear Ms. Dortch:

On October 3rd the undersigned, joined by Doug Neal, CEO of OTZ Telephone Cooperative (OTZ), Michael Burke, CEO of Matanuska Telephone Association (MTA), and Ted Koerner, Senior Vice President Communications Banking Group, Cobank, met separately with Commissioner Michael O'Rielly and Arielle Roth, Wireline Advisor; Jay Schwartz, Wireline Advisor to Chairman Pai; Travis Litman, Chief of Staff to Commissioner Rosenworcel, and Jamie Susskind, Chief of Staff to Commissioner Carr, to discuss broadband deployment supported by the Alaska Plan.

Mr. Neal stated that with the stability provided by the Alaska Plan, OTZ was able to obtain financing to deploy and continue to operate both fixed and wireless broadband service. He provided details of work orders completed since the Alaska Plan was adopted and described the importance of those projects to Kotzebue and the surrounding villages.

Mr. Burke shared details of MTA's broadband deployment during the 2018 construction season, supported by the Alaska Plan. MTA deployed or upgraded broadband service to provide 25/3Mbps service to 4,695 locations, and 50/100Mbps service to 500 locations for a total of 5,195 locations. Mr. Burke stated that due to the certainty provided by the Alaska Plan, MTA will be investing \$250 million in capital improvements over the remaining term of the Plan.

Mr. Koerner provided a review of CoBank loan activity and noted that the stability provided by the Alaska Plan is encouraging renewed and increased investment activity in Alaska.

The Alaska Plan demonstrates the power of the Connect America Fund to enable investment in broadband service in Alaska. As the second construction season during the Plan winds down, it is already fulfilling its promise of new and upgraded broadband service. Over the remaining term of the Alaska Plan, it will continue to deliver tangible results connecting thousands of Alaskans with broadband.

Respectfully submitted,

*Via ECFS 10/8/2018*

Christine O'Connor  
Executive Director

cc: Commissioner Michael O’Rielly  
Arielle Roth  
Jay Schwarz  
Travis Litman  
Jamie Susskind



# OTZ Telephone Cooperative & OTZ Telecommunications

Alaska Plan Provides Financial Stability

Doug Neal, OTZ CEO

# Introduction

**OTZ is a member-owned  
Cooperative serving primarily  
Tribal villages in Remote  
Northwest Alaska**

**The Alaska Plan  
provides financial  
stability**





# Extremely High Cost Area

- Service area the size of the state of Indiana
- Ten Villages and the Red Dog Mine:  
village populations from 126 to 849
- Kotzebue population: 3,245
- Temperatures average -20s in winter to 60s in summer
- Most Villages are north of the Arctic Circle
- Kotzebue and all villages are not connected to the road system and are only accessible by boat/plane/snow machine





# Tribal Customers

- All OTZ Board members are Inupiat Eskimo and 88% of the OTZ staff are Alaska Native
- Most OTZ customers are Inupiat Eskimos practicing a traditional subsistence lifestyle
- Federally recognized Tribal Entities: Native Villages of Ambler, Buckland, Deering, Kiana, Kivalina, Kobuk, Kotzebue, Noatak, Selawik, Shungnak, Noorvik Native Community



# OTZ Capital Improvement Projects 2016 to 2018

## OTZ Telephone Cooperative & OTZ Telecommunications

### 2018 Projects

### Purpose of Work Order

#### OTZ Telephone Cooperative

17ABL01POTSN	Open	Ambler CO Building	Replace Central Office location to provide adequate space and power
17ABL02POTSN	Open	Ambler Core Electronics	Improved infrastructure to support broadband in village
17OTZ11POTSN	Closed	OTZ WRHSE TOWER & SPACE	Improve space to accommodate cell site
18ABL04POTSN	Open	AMBLER OSP	OSP upgrade in Ambler
18BKC01POTSN	Open	BUCKLAND BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18IAN01POTSN	Open	KIANA BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18KVL01POTSN	Open	KIVALINA BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18ORV01POTSN	Open	NOORVIK BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18OTZ01POTSN	Open	KOTZ BROADBAND ELECTRONICS	Improved infrastructure to support broadband in village
18OTZ02POTSR	Open	KOTZ OSP CABLE	OSP upgrade in Kotzebue
18RED01POTSR	Closed	Red Dog Redcom	Upgrade Central Office switch to replace manufacturer discontinued equipment
18SHG01POTSN	Open	SHUNGNAK BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18WLK01POTSN	Open	SELAWIK BROADBAND UPGRADE	Improved infrastructure to support broadband in village
18WTK01POTSN	Open	NOATAK BROADBAND UPGRADE	Improved infrastructure to support broadband in village

#### OTZ Telecommunications

17BKC01CELLN	Open	Buckland LTE Roaming	LTE Wireless Improvement
17IAN01CELLN	Closed	Kiana LTE Roaming	LTE Wireless Improvement
17KVL01CELLN	Closed	Kivalina LTE Roaming	LTE Wireless Improvement
17ORV02CELLN	Closed	Noorvik LTE Roaming	LTE Wireless Improvement
17SHG01CELLN	Open	Shungnak LTE Roaming	LTE Wireless Improvement
17WLK01CELLN	Closed	Selawik LTE Roaming	LTE Wireless Improvement
17WTK01CELLN	Closed	Noatak LTE Roaming	LTE Wireless Improvement
18ANC50CELLN	Open	ANCHORAGE COMMON EQUIPMENT	LTE Wireless Improvement
18OTZ50CELLN	Open	KOTZ LTE COMMON EQUIPMENT	LTE Wireless Improvement

# OTZ Capital Improvement Projects 2016 to 2018

OTZ Telephone Cooperative Projects Closed in 2017			Purpose of Work Order
16OTZ02POTSN	Closed	Fiber Electronics 41 Unit on 3rd Ave	OSP Fiber Optics Install to support broadband
16OTZ14POTSN	Closed	Kotz Fiber Extension in Airport area	OSP Fiber Optics Install to support broadband
17OTZ01POTSN	Closed	Kotz - Fiber to Hospital Area	OSP Fiber Optics Install to support broadband
17OTZ02POTSN	Closed	Kotz - Fiber to Ferguson Bldg & School Area	OSP Fiber Optics Install to support broadband
17OTZ03POTSN	Closed	Kotz Core Electronics	Improved infrastructure to support broadband in village
17OTZ06POTSR	Closed	Kotz - Redcom Upgrade	Upgrade Central Office Switch to support next generation switching
17OTZ07POTSR	Closed	Kotz - Airport Apron Expansion	OSP Upgrade to Airport area
17OTZ09POTSN	Closed	Kotz - Upgrade HQ Phone System	Upgrade customer service representatives phones
17OTZ10JTON	Closed	Kotz Quintillion Time and Materials	Assist in preparing space for fiber optic termination in CO
17BKC02POTSR	Closed	Buckland Core Electronics Upgrade	Improved infrastructure to support broadband in village
17DRG02POTSR	Closed	Deering Core Electronics Upgrade	Improved infrastructure to support broadband in village
16IAN05POTSN	Closed	Kiana New GCI entrance cable	Extend outside plant to customer premise to connect to GCI Terra's network
17IAN02POTSN	Closed	Kiana Broadband Upgrade	Improved infrastructure to support broadband in village
17KVL02POTSN	Closed	Kivalina Broadband Upgrade	Improved infrastructure to support broadband in village
17OBU02POTSR	Closed	Kobuk Core Electronics Upgrade	Improved infrastructure to support broadband in village
16ORV06POTSN	Closed	Noorvik New GCI Entrance Cable	Extend outside plant to customer premise to connect to GCI Terra's network
17ORV01POTSR	Closed	Noorvik - Broadband Upgrade	Improved infrastructure to support broadband in village
17SHG02POTSN	Closed	Shungnak Broadband Upgrade	Improved infrastructure to support broadband in village
16WLK01POTSR	Closed	Selawik Core Electronics	Improved infrastructure to support broadband in village
17WLR02POTSN	Closed	Selawik Broadband Upgrade	Improved infrastructure to support broadband in village
17WTK02POTSN	Closed	NOATAK BROADBAND UPGRADE	Improved infrastructure to support broadband in village
<b>OTZ Telephone Cooperative Projects Closed in 2016</b>			
16ABL03POTSR	Closed	Ambler Core Electronics	Improved infrastructure to support broadband in village
16BKC01POTSN	Closed	Buckland Redcom	Upgrade Central Office Switch to support next generation switching
16BKC02POTSN	Closed	Buckland Broadband	Improved infrastructure to support broadband in village
16BKC05JTON	Closed	Buckland Cable Rearrangement	Maintenance in Buckland for OSP
16BKC08POTSN	Closed	Buckland New GCI Entrance Cable	Extend outside plant to customer premise to connect to GCI Terra's network



# OTZ Capital Improvement Projects 2016 to 2018

16DRG01POTSR	Closed	Deering Core Electronics	Improved infrastructure to support broadband in village
16DRG03POTSN	Closed	Deering CO Repair	Maintenance repair of Deering Central Office Building
16DRG05POTSN	Closed	Deering Redcom	Upgrade Central Office Switch to support next generation switching
16IAN01POTSR	Closed	Kiana Redcom	Upgrade Central Office Switch to support next generation switching
16IAN02POTSR	Closed	Kaina Broadband	Improved infrastructure to support broadband in village
16KVL01POTSR	Closed	Kivalina Redcom	Upgrade Central Office Switch to support next generation switching
16KVL02POTSR	Closed	Kivalina Broadband	Improved infrastructure to support broadband in village
16OBU01POTSR	Closed	Kobuk Core Electronics	Improved infrastructure to support broadband in village
16OBU02POTSN	Closed	Kobuk Redcom	Upgrade Central Office Switch to support next generation switching
16ORV01JTON	Closed	Noorvik Fire Damaged Cable Repair	Maintenance in Noorvik of OSP for fire damaged cable
16ORV02POTSR	Closed	Noorvik Core Electronics	Improved infrastructure to support broadband in village
16ORV03POTSN	Closed	Noorvik Redcom	Upgrade Central Office Switch to support next generation switching
16OTZ04JTOR	Closed	Quintillion Central Office Rearrangement	Provide Quintillion space for their Undersea Fiber Equipment
16OTZ05POTSN	Closed	Kotz Core Electronics	Improved infrastructure to support broadband in Kotzebue
16OTZ06POTSN	Closed	Kotzebue Redcom Upgrade	Upgrade Central Office Switch to support next generation switching
16OTZ07POTSN	Closed	4th & Turf St New Poles & Anchors	OSP upgrade in Kotzebue
16OTZ08POTSR	Closed	Wanda St Cable Relocate Permanent Repair	OSP upgrade in Kotzebue as well as repair of damaged cable
16OTZ09POTSN	Closed	Kotz Fiber From GCI ES to Cellsite	OSP Fiber Optics Install to support broadband
16OTZ10JTON	Closed	OTZ_ATT Network Outage	Maintenance / repairs for outage
16OTZ11POTSN	Closed	Kotz Server Room Batteries	Upgrade Battery Plant to provide stable DC power for wireless broadband
16OTZ15JTON	Closed	Fiber Splicing Trailer	Upgrade OSP trailer for Fiber Optics splicing
16SHG01POTSN	Closed	Shungnak Redcom	Upgrade Central Office Switch to support next generation switching
16SHG02POTSN	Closed	Shungnak Broadband	Improved infrastructure to support broadband in village
16WLK02POTSN	Closed	Selawik Redcom	Upgrade Central Office Switch to support next generation switching
16WLK05POTSN	Closed	Selawik New GCI Entrance Cable	Extend outside plant to customer premise to connect to GCI Terra's network
16WTK01POTSN	Closed	Noatak Broadband Upgrade	Improved infrastructure to support broadband in village
15OTZ05POTSN	Closed	Kotz Fiber to GCI Earth Station	OSP Fiber Optics Install to support broadband

# OTZ Capital Improvement Projects 2016 to 2018

OTZ Telecommunications Projects Closed in 2017			Purpose of Work Order
17ANC01CELLN	Closed	Anc - LTE Common Equipment	LTE Wireless
17OTZ04CELLN	Closed	Kotz - Internet	Upgrade Back Office Equipment to support broadband
17OTZ05CELLN	Closed	Kotz - LTE Common Equipment	LTE Wireless
OTZ Telecommunications Projects Closed in 2016			
15OTZ11INTR	Closed	Kotzebue Packet Shaper Upgrade	Upgrade Back Office Equipment to support broadband
16BKC06CELLN	Closed	Buckland Cell Tower	LTE Wireless
16BKC07CELLN	Closed	Buckland LTE Installation	LTE Wireless
16DRG02CELLN	Closed	Deering Cell Tower	LTE Wireless
16DRG04CELLN	Closed	Deering LTE Installation	LTE Wireless
16IAN03CELLN	Closed	Kiana LTE Antenna System	LTE Wireless
16IAN04CELLN	Closed	Kiana LTE Installation	LTE Wireless
16KVL03CELLN	Closed	Kivalina LTE Antenna System	LTE Wireless
16KVL04CELLN	Closed	Kivalina LTE Installation	LTE Wireless
16OBU03CELLN	Closed	Kobuk LTE Antenna System	LTE Wireless
16OBU04CELLN	Closed	Kobuk LTE Installation	LTE Wireless
16ORV04CELLN	Closed	Noorvik LTE Antenna System	LTE Wireless
16ORV05CELLN	Closed	Noorvik LTE Installation	LTE Wireless
16KOTZ01CELN	Closed	Kotz LTE and Common Equipment	LTE Wireless
16OTZ12CELLN	Closed	Kotzebue LTE Antenna System	LTE Wireless
16SHG04CELLN	Closed	Shungnak LTE Antenna System	LTE Wireless
16SHG05CELLN	Closed	Shungnak LTE Installation	LTE Wireless
16WLK03CELLN	Closed	Selawik LTE Antenna System	LTE Wireless
16WLK04CELLN	Closed	Selawik LTE Installation	LTE Wireless
16WTK03CELLN	Closed	Noatak LTE Antenna System	LTE Wireless
16WTK04CELLN	Closed	Noatak LTE Installation	LTE Wireless

**Total Closed WOs 2016 & 2017 \$4,643,701.57**

**2018 WOs Closed or to be Closed (\$ end of 3rd Quarter) \$1,217,557.92**



Life. Technology. Together.

# 2018 Alaska Plan Update



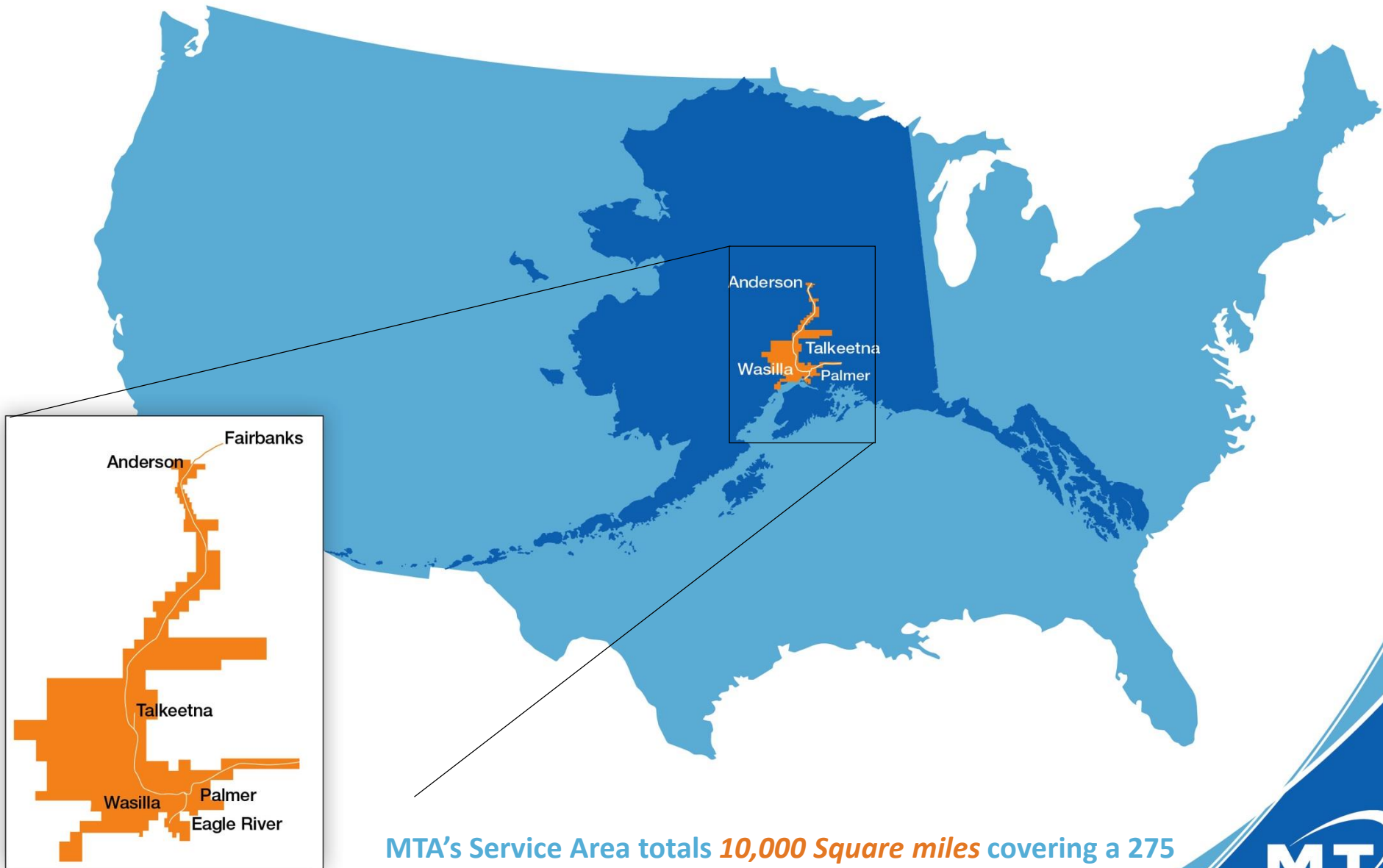
# Our Mission

- MTA will be the leading technology provider, empowering its member-owners and patrons to live a connected life.
- MTA is a forward-thinking cooperative, striving to meet its customers' changing needs and focused on being a partner that delivers.
- MTA will continue to pioneer economic development by providing the means necessary to create technologically intelligent communities.



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# How big is MTA's service area?



MTA's Service Area

MTA's Service Area totals **10,000 Square miles** covering a 275 mile road from North to South.

# MTA and the Alaska Plan Impact

- MTA has been in business for 65 years. Established in 1953.
- Service area is over 10,000 square miles
  - Serving nearly 29,000 Members
  - Over 300 employees
- Number of new positions since Alaska Plan was implemented:
  - Over 25 full-time employees
  - Nearly 100 contractors per year
    - (compared to 20 contractors in years prior to AK Plan)
- Annual Revenue - Over \$100 Million

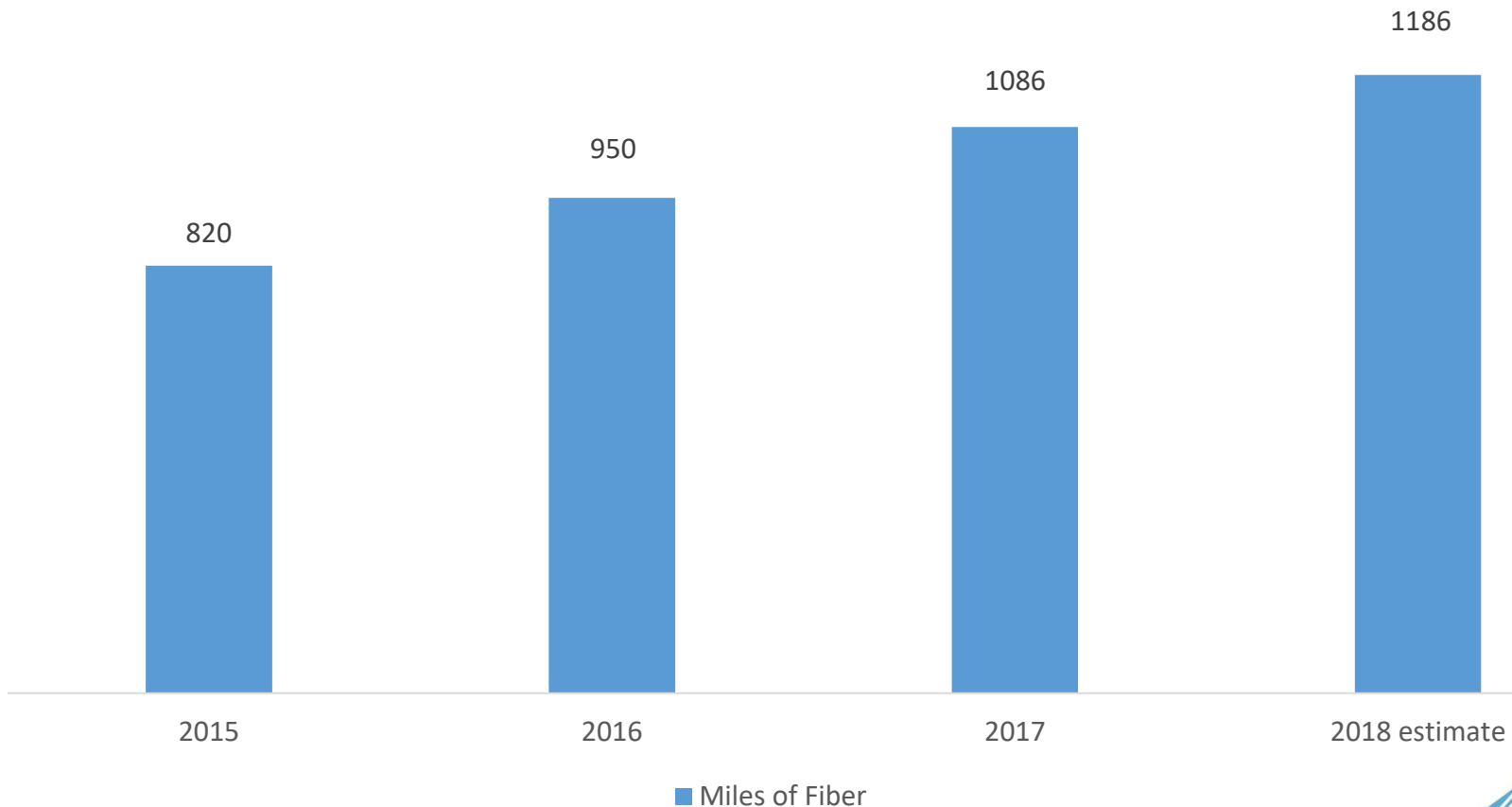


# Alaska Plan Impact

- \$21 million in goods and services purchased from Alaska companies in 2017.
- \$250 million in capital improvements over the remaining term of the Alaska Plan.
- Over the remaining term of the Alaska Plan, thousands of customers in MTA's service area will have new access to broadband service due to support from the Alaska Plan.

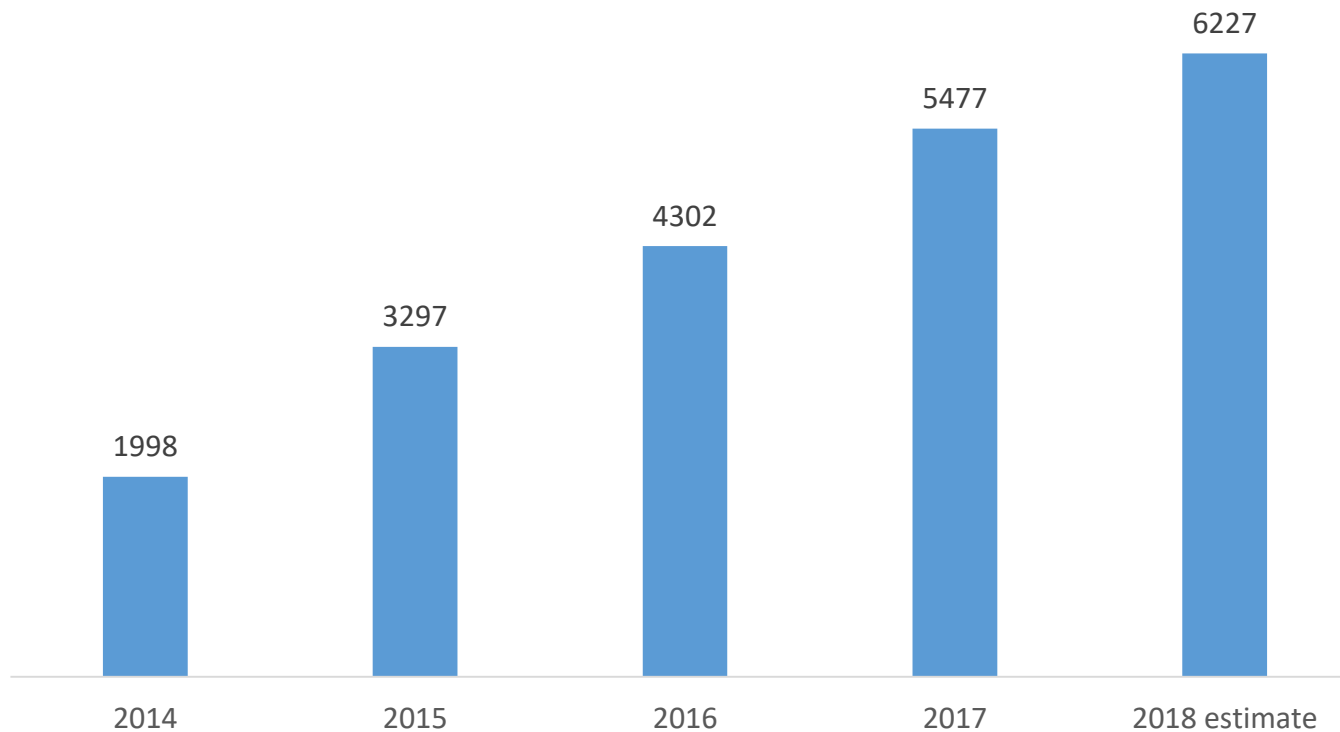
# Alaska Plan Impact

## Total miles of fiber network



# Alaska Plan Impact Fiber Expansion

Lots Passed with FTTH Available

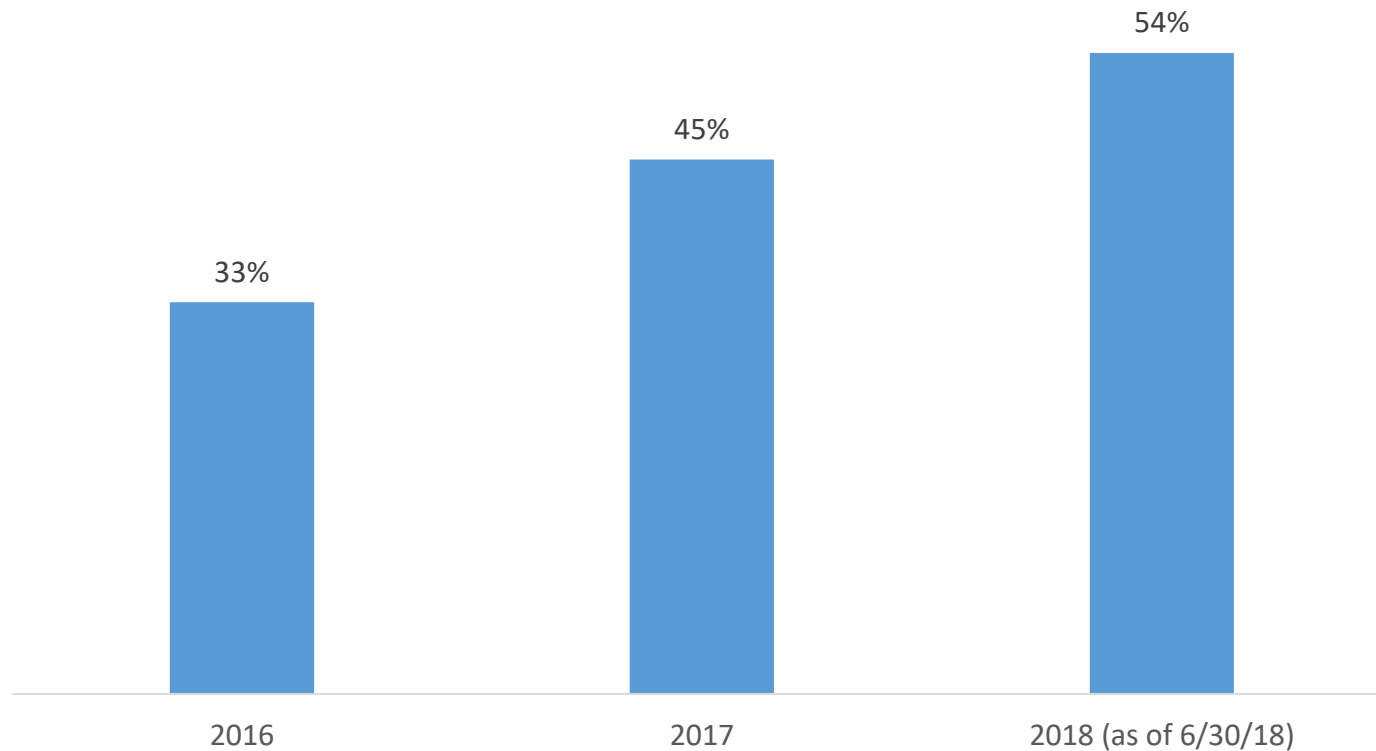


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# Alaska Plan Impact

## Structures with access to at least 40 Mbps



- Over 50% of MTA customers now have access to at least 40 Mbps.

# Alaska Plan Impact

## 2018 estimates for newly deployed or upgraded broadband for MTA

- 5,195 new locations deployed/upgraded according to speed:
  - 25/3: 4,695
  - 50/5 – 100/5: 500

# MTA Crew and Fiber Projects

MTA Fiber Project



Talkeetna Fiber Project





# Building out the Alaska Plan





# Alaska Plan in Action



# Challenges Continue

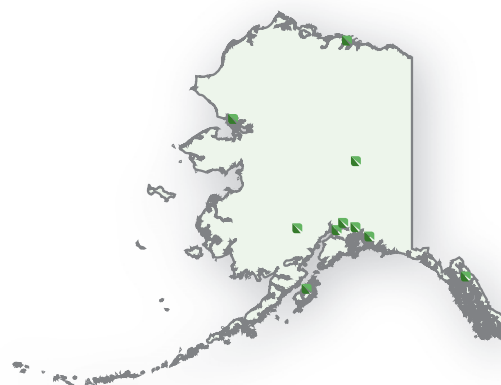
- Right of Way Access
- Pole Attachments
- Easements
- Regulatory Uncertainty

# Supporting Vital Industries in Alaska

Agriculture. Water. Power. Communications.

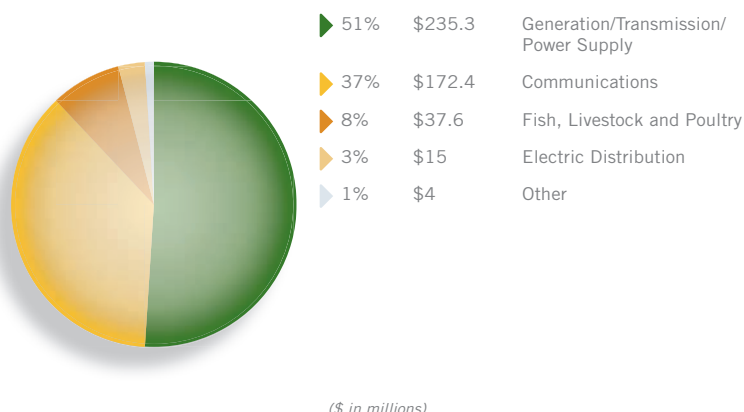
## CoBank in Alaska

- ▶ CoBank supports 19 Alaska-based customers with a combined annual revenue of approximately 2.1 billion.
- ▶ 2017 year-end loan volume for our Alaska customers was approximately \$464.2 million.
- ▶ 2017 patronage payments to our Alaska customers were approximately \$4.1 million.
- ▶ In 2017, CoBank contributed approximately \$59,000 to charitable organizations in the state of Alaska.
- ▶ Recipient organizations included the Food Bank of Alaska, the University of Alaska Foundation, United Way of the Tanana Valley and the Prince William Sound Science Center.

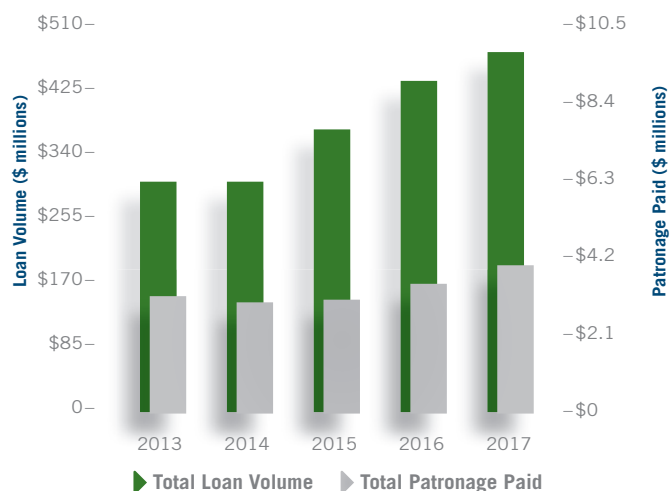


CoBank Customer Locations

## Alaska Loan Volume by Industry



## Total Alaska Loan Volume and Patronage Paid



## About CoBank

CoBank is a cooperative bank serving vital industries across rural America. With more than \$120 billion in assets, the bank provides financing to farmer-owned cooperatives and other agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving more than 70,000 farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture and the nation's rural economy. Headquartered outside Denver, Colorado, CoBank serves customers from 13 regional banking centers across the U.S. and also maintains an international representative office in Singapore.

As of December 31, 2017

[www.cobank.com](http://www.cobank.com)

